



International Bankers and the Communist Conspiracy

In the Winter, 1972 issue, the author described the background and activities of the international banking firm of Lazard Freres and Company. In the article below he gives details on Lehman

BY FRANK A. CAPELL

AFTER THE UNSUCCESSFUL Bolshevik Revolution of 1848, Henry Lehman, one of the original founders of Lehman Brothers, fled from Bavaria to the United States together with his brothers Emanuel and Mayer. They formed Lehman Brothers in Montgomery, Alabama, entered into the cotton business, and prospered. After the Civil War the Lehmans established a branch in New York and founded the Cotton Exchange and the banking firm of Lehman Brothers. Emanuel Lehman, after becoming established in New York, organized the Mutual Alliance Trust Company along with William Rockefeller. Around 1900 they began investment banking in addition to the cotton brokerage business and later worked in close partnership with Goldman Sachs and Company, which was headed by Sidney Weinberg.

When Emanuel Lehman died, the control of the firm was fully in the hands of the second generation Lehmans — Philip, Sigmund, Arthur, Meyer H. and Herbert. The Lehman boys, all cousins, married into other wealthy Jewish families which included the Strauses, Altchuls, Lewisohns, Limburgs, Fatmans, Lavens, and Goodharts.

One of the principal members of Lehman Brothers and the best known was Herbert H. Lehman, a partner from 1908 to 1933. He was governor of New York State for four terms. Herbert Lehman had married Edith Altchul, whose father Charles Altchul was the head of the Rothschild's Lazard Freres Banking Company. Frank Altchul, later to become head of Lazard Freres, married a daughter of Herbert Lehman's sister, Mrs. P. J. Goodhart (Hattie Lehman).

A brother of Herbert married Adele Lewisohn and Adele's daughter Helen

married Benjamin B. Bittenweiser, a partner in Kuhn Loeb and Company. The Bittenweisers were hosts to Alger Hiss during and after his trial and they supplied bail for a convicted atom spy. Another daughter of Adele Lehman Lewisoohn (Frances) married John L. Loeb, son of Karl M. Loeb, a partner in the international banking firm of Karl M. Loeb, Rhodes and Company. Helen Morgenthau, wife of Henry Morgenthau, Jr., Roosevelt's Secretary of the Treasury, was the daughter of Herbert Lehman's sister Mrs. Morris Fatman.

Henry Morgenthau Jr. will be recalled as the individual who authorized the Russians to print occupation currency with U.S. plates which was later redeemed by the U.S. taxpayers. He is also the author of the infamous Morgenthau plan, an attempt to reduce Germany to a pasture land.

Bribery and Theft Charged

In a speech before the House of Representatives on January 24, 1934, Congressman Louis T. McFadden, Chairman of the House Banking Committee stated:

"Mr. Chairman, understanding that Henry Morgenthau is related by marriage to Herbert Lehman, Jewish Governor of the State of New York, and is related by marriage or otherwise to the Seligmans of the international Jewish firm of J. & W. Seligman, who were publicly shown before a Senate committee of investigation to have offered a bribe to a foreign government; and to the Lewisoohns, a firm of Jewish international bankers; and to the Warburgs, whose operations through Kuhn Loeb & Co., the International Acceptance Bank, and the Bank of Manhattan Company and other foreign and domestic institutions under their control, have drained billions of dollars out of the United States Treasury and the bank deposits belonging to United States citizens; and to the Strauses,

proprietors of R. H. Macy & Company of New York, which is an outlet for foreign goods dumped upon this country at the expense of the United States Government, which is compelled to issue paper money on the said foreign goods of the Strauses; and that Mr. Morgenthau is likewise related or otherwise connected with various other members of the Jewish banking community of New York and London, Amsterdam, and other foreign financial centers, and that he has as his assistant, presiding over public funds, Earle Bailie, a member of the firm of J. & W. Seligman, bribe givers as aforesaid, it seems to me that Henry Morgenthau's presence in the United States Treasury and the request that Congress now give him a \$2,000,000,000 kitty of the people's money for gambling purposes is a striking confirmation of the statement made by me on the floor of the House on May 29, 1933."

Lehman Brothers have been the investment bankers for the following corporations: Sears, Roebuck & Company, F. W. Woolworth & Company, Campbell Soup Company, S. H. Kress Company, R. H. Macy & Company, Studebaker Corporation, Underwood Corporation, Florsheim Shoe Company, Gimbel Brothers, Inc., Continental Can Company, American Metal Company, Bond Stores, Inc., Jewel Tea Company, B. F. Goodrich and Company, W. T. Grant Company, General Foods Company, National Dairy Products, Inc., Arco Corporation, Welch Grape Juice Company, International Silver Company, Philip Morris Company, P. Lorillard, Inc., American Potash & Chemical Company, Republic Steel Corporation, American Export Lines, General American Investors, Aviation Corporation, Capital Airlines, Inc., Sperry Corporation, CBS Corporation, RCA Corporation, Western Union, Inc., Paramount Pictures, Inc., 20th Century Fox Films, Inc., RKO, Inc.

Directors of Major Corporations

The Lehman Brothers partners sit on the Board of Directors of 77 major U. S. corporations. Herbert Lehman, who was a senior partner in the firm for many years, was mentioned 15 times in the Dies Committee Hearings. The *New York Times* of October 10, 1941 showed Governor Herbert Lehman as signing an appeal on behalf of Russian War Relief; the Communist *Daily Worker* of September 29, 1943 showed Herbert Lehman as a sponsor for a U.S. — Soviet Friendship rally. The literature of the National Council of American-Soviet Friendship (November 8, 1941) showed Herbert Lehman as a sponsor and in a telegram (September 21, 1946) Herbert Lehman praised the Veterans of the Abraham Lincoln Brigade, an infamous group responsible for the murder of many innocent people.

Lehman was a director of the Garland Fund which financed numerous Communist enterprises, activities and publications. He was an honorary life member of the One World Award Committee and a director of the NAACP and Fund for the Republic. He was an active member of the American Association for the United Nations, was the recipient of an award from the (Fabian Socialist) League for Industrial Democracy, was national vice-chairman of the Anti-Defamation League of B'nai B'rith and an active member of the Council on Foreign Relations. When a bill was passed by the New York State Legislature to require all teachers to sign an oath to support the Constitution, Governor Lehman vetoed it. As far back as 1928, Herbert Lehman was chairman of the finance committee of the Democratic National Committee, on which he exerted a leftist influence.

Secret Government

The *Chicago Tribune* of May 29, 1950 published the pictures of three men (Felix Frankfurter, Henry Morgenthau, Jr. and Herbert Lehman) accompanied

by a story which stated that a person with the highest State Department connections identified these three figures as the "secret government of the U.S."

When Jacob Javits ran for the Senate in 1956 he was supported financially by Robert Lehman, a partner in Lehman Brothers, and John M. Schiff of Kuhn Loeb.

Among some of the most important past or present members of Lehman Brothers or Lehman Corporation are:

Lucius D. Clay, Sr. — Director of Continental Can Co. (formerly chairman of the board). He became a senior partner in Lehman Brothers Corp. in 1963. His other connections are, or have been, director of Lehman Corp., Allied Chemical Corp., American Export Co., Standard Brands, Inc., Chase International Investment Corp., Central Savings Bank; member of Council on Foreign Relations.

Alvin Waldaman Pearson — Director Lehman Corp. He was born in Carlton, Oregon, January 29, 1902 the son of Nels Pearson and the former Ida Lundquist, received B.A. Reed College in 1922, M.B.A. Harvard 1924, married Alveda Peterson September 1, 1924 and they had one daughter Greta Christine (Mrs. James Potter Brown). He joined Lehman Brothers and Lehman Corp. in 1924 and became general partner in Lehman Brothers in 1964.

Paul Ernest Manheim — General partner Lehman Brothers, N.Y.C. He was born in New York City June 10, 1905 the son of Armin Manheim and the former Theresa Quittner, and received B.S. in 1925 from the University of Virginia. He was American Consul in British Guinea in 1927, and his other connections are, or have been, director of General Sugar Estates, Cuban Sugar Plantations, Inc., Brazilian Light and Power Co., Ltd., Richmond Newspapers, Inc.; member of Advisory Committee Bankers Trust Co.; and trustee of Fordham University.

Monroe C. Gutman — Chairman of Executive Committee Lehman Corp. He was born in New York City October 15, 1885 the son of Sanders Gutman and the former Pauline Bernstein, received A.B. in 1905 and M.A. in 1906 from Harvard, married Pauline Erich October 24, 1932. He joined Lehman Brothers in 1922, becoming a partner in 1927.

Paul L. Davies — Senior Managing Director Lehman Bros., Inc. He was born in Nebraska in 1899 and was educated at the University of California and Harvard. He is, or has been, chairman and president of Food Machinery and Chemical Co. of San Jose, Calif.; director of Wells Fargo, Bank America Trust Co., Lehman Corp., Caterpillar Tractor Co., International Business Machine Corp., Southern Pacific Co., Chase Manhattan Bank, National Merit Scholarship Corp., and Pacific Gas and Electric Co.

Clarence Francis — Director Lehman Corp. He was President of General Foods Co. and his other connections are, or have been, director Studebaker Packard Co., Meda Corp., Air Reduction Corp., Mutual Life Insurance Co., General Foods Corp., Smith Corona Corp., Ford Foundation; president of Economic Development Committee; member of American Association for United Nations; past president of the publication *U. N. Week*.

John Wallace Reavis (lawyer) — Director Lehman Corp. He was born in Nebraska 1899, and is a resident of Cleveland, Ohio. He is, or has been, a director of National City Bank of Cleveland, Jones & Laughlin Steel Corp., Anchor Hocking Glass Corp., Gray Drug Stores, Inc., Westinghouse Electric Corp., Diamond Shamrock Corp., Midland Ross Corp., and Weatherhead Co.

Alexander Sachs — Vice-President Lehman Corp. He was born in Russia August 1, 1893, came to the U.S. in 1904 and was educated at Columbia and

Harvard Universities. He was an economist to Walter Eugene Meyer and was the organizer and chief director of Economic Research and Planning for the National Recovery Administration in 1933.

John D. Hertz — Vice-President and director Lehman Corp. He was founder of Chicago Motor Coach Co. (merged with Fifth Avenue Coach Co. of N.Y.) and founder of Yellow Cab Manufacturing Co. (merged with General Motors); became a partner in Lehman Brothers in 1934; is, or has been, a director of Paramount Pictures, Inc., Hialeah Park, Invisible Glass Co., Madison Square Garden, Tidewater Associated Oil Co., Seaboard Freight Lines, Consolidated Aircraft Co.

Robert Lehman — Partner Lehman Brothers, 1 William St., N.Y.C. He was born in New York City in 1892. His other connections are, or have been, director of Gimbel Brothers, General American Investors, May Department Store, Associated Dry Goods Co., Pan American Airways, Lehman Corp., General Foods Corp., Three States Natural Gas Co., Southern States Land and Timber Co., Scudder Fund of Canada, 20th Century Fox Film Corp., C.I.T. Financial Corp., United Fruit Co., Metropolitan Opera Co.; and a trustee of New York University.

Top Government Connections

In charge of Lehman International Corp. in London is George W. Ball, former Under Secretary of State and former U.S. Ambassador to the U.N. Ball is a long time member of the Council on Foreign Relations and the secret Bilderberger group. At an emergency secret session held at the King and Prince Hotel, St. Simons Island off the coast of Brunswick, Georgia, February 15-17, 1957, protection was furnished by the U.S. secret service although this was called an unofficial meeting. Among the international bankers, foundation directors, international car-

telists, etc. present were: Felix Frankfurter, Kurt Kiesinger, Paul G. Hoffman, Arthur H. Dean, Eugene R. Black, Dean Rusk, McGeorge Bundy, Senator J. William Fulbright, Brooks Hays, George F. Kennan, Ralph E. McGill, David Rockefeller, and George W. Ball.

After leaving the State Department, Ball became chairman of Lehman Brothers International Ltd. (1966) and then on December 27, 1967 his admission as a senior partner of Lehman Brothers was announced. When Ball was in the State Department one of the problems which came under his jurisdiction was the Congo and the secession of the province of Katanga.

It will be recalled that U.N. "peace keeping forces" were sent to Katanga where many innocent people were butchered. The real reason for intervention was the attempted takeover of the Union Miniere Copper Mines in Katanga by the Lio-Lamco complex. One of those involved in this attempted mine takeover was George Ball.

Financing Domestic Communism

In 1964 the NAACP Legal Defense and Educational Fund created a separate organization called the Herbert Lehman Education Fund which finances civil law institutes and operates throughout the South. The Herbert Lehman Education Fund is located at 100 Columbus Circle, New York City and on its Board of Advisers have been Mrs. Herbert Lehman, Dr. Harry Emerson Fosdick, Mrs. Helen L. Buttenweiser, Dr. Benjamin E. Mays, and Dr. James Nabrit, Jr. The Communist-front record of all of those connected with this organization would fill several pages. Counsel and director of the Lehman Fund is Jack Greenberg.

Representatives of Lehman Brothers or its affiliates, as mentioned earlier, sit on the board of directors of 77 different major corporations. Among these are the huge department stores through whose advertising a major portion of the

newspapers in the U.S. are sustained.

The late Herbert Lehman was national vice chairman of the ADL and Lehman Brothers have been very close to this organization. As a result of this pressure could be brought to bear on newspapers through the advertisers who are financed by Lehman Brothers, thus influencing newspaper policy in favor of the ADL's objectives.

The Lehman international banking firms are closely tied in with, and cooperate with, the other international bankers who have been financing directly and indirectly the International Communist Conspiracy.

THE AUTHOR

The above article, by Contributing Editor Frank A. Capell, is a confidential intelligence research memo privately circulated to the financial supporters of *The Herald of Freedom* of which he is editor and publisher. Subscription to this newsletter, published every other Friday, is \$10 a year, \$6 for 6 months. (The Herald of Freedom, P.O. Box 3, Zarephath, N.J. 08890.)

VICE

Vice is a monster of so frightful
mien,
As to be hated needs but to
be seen;
Yet seen too oft, familiar with
her face,
We first endure, then pity,
then embrace.

—ALEXANDER POPE